

EUROPEAN PARLIAMENT

1999



2004

Session document

FINAL
A5-0247/2003

20 June 2003

REPORT

on the scoreboard on implementing the social policy agenda
(COM(2003) 57 – 2003/2097(INI))

Committee on Employment and Social Affairs

Rapporteur: Ilda Figueiredo

PR_INI_art47

CONTENTS

	Page
PROCEDURAL PAGE	4
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION.....	5
EXPLANATORY STATEMENT	11

PROCEDURAL PAGE

By letter of 6 February 2003 the Commission forwarded to Parliament its scoreboard on implementing the social policy agenda (COM(2003) 57), which had been referred to the Committee on Employment and Social Affairs and the Committee on Women's Rights and Equal Opportunities for information.

At the sitting of 15 May 2003 the President of Parliament announced that the Committee on Employment and Social Affairs had been authorised to draw up an own-initiative report on the subject under Rules 47(2) and 163, on the scoreboard on implementing the social policy agenda and the Committee on Women's Rights and Equal Opportunities had been asked for its opinion.

The Committee on Employment and Social Affairs had appointed Ilda Figueiredo rapporteur at its meeting of 12 March 2003.

It considered the draft report at its meetings of 21 May and 11 June 2003.

At the latter meeting it adopted the motion for a resolution by 30 votes to 1, with 1 abstention.

The following were present for the vote: Theodorus J.J. Bouwman (chairman), Marie-Hélène Gillig (vice-chairman), Winfried Menrad (vice-chairman), Marie-Thérèse Hermange (vice-chairman), Ilda Figueiredo (rapporteur), Jan Andersson, Elspeth Attwooll, Regina Bastos, Hans Udo Bullmann (for Enrico Boselli), Alejandro Cercas, Brian Crowley (for Nello Musumeci), Harald Ettl, Fiorella Ghilardotti (for Elisa Maria Damião), Anne-Karin Glase, Robert Goebbels (for Proinsias De Rossa), Lisbeth Grönfeldt Bergman (for Philip Bushill-Matthews), Stephen Hughes, Rodi Kratsa-Tsagaropoulou, Jean Lambert, Elizabeth Lynne, Thomas Mann, Mario Mantovani, Claude Moraes, Ria G.H.C. Oomen-Ruijten (for Luigi Cocilovo), Manuel Pérez Álvarez, Bartho Pronk, Lennart Sacrédeus, Herman Schmid, Miet Smet, Claude Turmes (for Jillian Evans), Ieke van den Burg and Sabine Zissener (for Carlo Fatuzzo).

The Committee on Women's Rights and Equal Opportunities decided on 20 May 2003 not to deliver an opinion.

The report was tabled on 20 June 2003.

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the scoreboard on implementing the social policy agenda (COM(2003) 57 - 2003/2097(INI))

The European Parliament,

- having regard to the Commission communication (COM(2003) 57)¹ entitled ‘Scoreboard on implementing the social policy agenda’,
 - having regard to the conclusions of the Nice European Council of 7, 8 and 9 December 2000 and to Annex I on the European social agenda,
 - having regard to the conclusions of the Stockholm European Council of 23 and 24 March 2001,
 - having regard to the conclusions of the Barcelona European Council of 15 and 16 March 2002,
 - having regard to its resolution of 25 October 2000² on the social policy agenda and to the Commission communication (COM(2000) 379),
 - having regard to its resolution of 7 February 2002³ on the Commission communication (COM(2001) 104) on the scoreboard on implementing the social policy agenda,
 - having regard to its resolution of 4 September 2002⁴ on the Commission communication on the scoreboard on implementing the social policy agenda (COM(2002) 89),
 - having regard to Rules 47(2) and 163 of its Rules of Procedure,
 - having regard to the report of the Committee on Employment and Social Affairs (A5-0247/2003),
- A. whereas the purpose of the yearly scoreboard used to assess implementation of the social policy agenda, which the Commission submits to Parliament, should be to keep track of achievements, warn of delays in the implementation of the projected measures, and form the basis for adjustments to be proposed to remedy gaps and shortcomings at the practical level or to tackle such new problems as might have arisen in the intervening period,
- B. whereas economic activity is slowing down alarmingly; whereas the recent spring forecasts are adding to the fears of a rise in unemployment, poverty and social exclusion, which are giving cause for particular anxiety in the economically and socially weaker regions, a fact which is hampering economic and social cohesion,
- C. whereas economic growth, education and the creation of high-quality jobs are the most

¹ Not yet published in OJ.

² OJ C 197, 12.7.2001, p. 180.

³ P5_TA(2002)0063.

⁴ P5_TA(2002)0399.

effective means of tackling social exclusion,

- D. whereas immigrants, women, people with disabilities and other disadvantaged groups are continuing to encounter significant obstacles on the labour market,
- E. whereas to achieve the Lisbon goals by 2010, it will be necessary to create more than 15 million high-quality new jobs with rights; whereas the spring forecasts suggest that that target might not be met,
- F. whereas the structural weaknesses identified on the labour market are largely to blame for lasting poverty and social exclusion, which are being aggravated by other factors such as health problems and disability, family break-ups, a lack of basic training and housing problems,
- G. whereas the most recent income figures show that 15% of the population, that is to say, about 56 million people, are at risk of poverty, since they are living below a threshold defined to be 60% of the national average income; whereas 9% of the EU's population face a persistent risk of poverty, since they have remained in that position for at least two out of the last three years,
- H. whereas social security is vital to reduce the risk of poverty; whereas without welfare transfers, the poverty risk would have amounted to 24% (if we exclude pensions from the definition of welfare transfers) or 40% (including pensions),
- I. whereas at the last spring European Council, in Brussels, an Employment Task Force was set up,
- J. whereas because of relocations by multinationals unemployment rises in the places from which they move, and whereas therefore both society and the enterprises concerned should do what they can to minimise the adverse consequences,
- K. whereas the midterm review of the 2000-2006 Structural Fund programmes, due to be carried out this year, offers an opportunity to coordinate Structural Fund programmes, especially under the European Social Fund, and the aims set out in the national action plans for social inclusion, the second series of which is being drawn up by the Member States,
- L. whereas school drop-out rates are still very high in some Member States; whereas not enough is being done to provide childcare facilities or in the area of pre-school education; whereas the levels of investment in education, training, and lifelong learning are still unsatisfactory; whereas the figures available point to underinvestment in human capital,
- M. whereas tools and policies to help improve the social situation in the Union are still proving slow to produce,
- N. whereas in view of the accession of the ten applicant countries, which have weaker social indicators, efforts will need to redouble to enable progress to be made towards economic and social cohesion in terms of better quality of life and greater social justice,

1. Notes the Commission communication on the scoreboard on implementing the social policy agenda and hopes that the forthcoming midterm review report will take Parliament's opinions into account and focus in particular on the costs incurred because a high-quality social policy is not in place;
2. Considers that the value of the scoreboard will increase in proportion to the extent to which it provides a picture of the implementation of the social agenda in a relatively long-term perspective rather than merely reporting on the Commission's work in the previous year and plans for the current year; hopes that the next scoreboard will indicate in what measure the objectives of the revised social agenda have been attained;
3. Deplores the continuing high levels, in some Member States, of both unemployment and poverty, including lasting poverty, and calls for the solutions to these problems to be treated as a priority in Community policies, not least in the midterm review of the Structural Funds and the Stability Pact, and to this end, calls on Member States, in conjunction with the social partners and other stakeholders, to step up efforts to implement the Employment Guidelines;
4. Is concerned about the remaining pervasive weaknesses identified in the scoreboard which must be urgently tackled and which include the continuing high levels of long-term unemployment, the still low employment rates for women, the unequal distribution of the employment rates according to age levels – older and younger workers in particular being confronted with significant obstacles to the labour market – and the persistence of regional labour market bottlenecks and skill shortages;
5. Repeats its call for the policy initiatives announced in the social policy agenda to be put into effect, to that end making use of the scoreboard, which in each instance should specify the policy method employed (legislation, state of play regarding the open method of coordination, negotiation with the social partners, newly devised indicators, warnings given, etc.), the parties responsible, and the time frames;
6. Notes the setting-up of an Employment Task Force chaired by Wim Kok; expects it to increase the readiness to implement the Employment Strategy in the Member States and calls for close cooperation between the Task Force, the Commission and the Employment Committee; welcomes the setting-up of the Tripartite Social Summit; expects to be involved in the work arising from these initiatives and, in future, to be consulted about the setting-up of such new bodies and working parties;
7. Deplores the fact that the Commission is still failing to produce new initiatives in areas already called for by Parliament and urges that such initiatives be rapidly drawn up, specifically with a view to:
 - (a) incorporating a social dimension in competition policy whereby, especially in Commission decisions on company mergers, factors related to employment, vocational training, access to high-quality services of general interest, industrial relations, and regional development would be taken into account;
 - (b) revising Council Directive 94/45/EC of 22 September 1994 on the establishment of a European Works Council as promised already for 2002; underlines that one of the

key objectives should be (a) to extend the scope and strengthen the information and consultation rights in the event of restructuring (b) to provide better working facilities for employees' representatives in European Works Councils;

- (c) revising Council Directive 93/104/EC on Working Time taking into account the recent judgements by the European Court of Justice;
- (d) amending Directive 92/85/EEC on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding, in the spirit of the proposals in the European Parliament resolution of 6 July 2000¹, particularly concerning the duration of maternity leave;
- (e) defining criteria for the recognition of disabilities and adopting an action plan aimed at effective prevention of musculoskeletal injuries at work;
- (f) laying down an incentive and support framework to develop the social economy, bearing in mind its role in creating jobs and improving quality of life, especially for the people of deprived areas;
- (g) establishing effective intervention procedures in the area of company relocations, especially where the companies concerned have received Community and national support, in order both to protect employment and other workers' rights and to prevent development being hamstrung in the regions and sectors in which companies are based, taking into account Parliament's recent decision on this matter;
- (h) adopting a legislative initiative introducing prior assessment of the cross-border effects of social and tax legislation, taking into account Parliament's earlier decisions;
- (i) devising an indicator to gauge the reduction in the inequalities between women and men in terms of unpaid working time and, as part of the current review of the European Employment Strategy, scheduling targets to bring that reduction about;
- (j) producing a green paper on illiteracy and social exclusion and, ultimately, drawing up an action plan in consultation with the Member States, including the enlargement countries, on how these very real problems can best be tackled, and setting up a European illiteracy monitoring centre, as part of an existing centre, for example the European Foundation for the Improvement of Living and Working Conditions, and special support measures for areas affected by illiteracy, with a view to its eradication;
- (k) adopting an appropriate legal basis for the development of the civil dialogue and providing the requisite funding to enable NGOs to contribute to the European Social Agenda;
- (l) adopting a measure to make it easier to reconcile work and family life by adjusting

¹ Texts adopted, point 34.

working time along lines to be agreed through negotiation between the social partners, in the context of initiatives concerning the quality of work;

8. Notes the work programme of the social dialogue for 2003-2005; calls on the Commission to support the actions of the social partners and to use its right of initiative to further develop the European regulatory framework;
9. Calls on the Commission to propose a revision of Directive 93/104/EC concerning certain aspects of the organisation of working time so as to clarify the definition of working time and the period of availability for work;
10. Calls on the Commission to respond to the request made in the conciliation resolution by submitting a proposal for a directive, based on Article 141(3) of the Treaty, recognising paid paternity leave as an inalienable individual right that cannot be forgone, bearing in mind that the fact that women have to be absent from work because they are exercising their right to maternity leave – when there is no compulsory paid paternity leave – is one of the main reasons why they suffer discrimination;
11. Hopes that the Second Round Table on Poverty and Social Exclusion, to be held in Turin on 16 and 17 October 2003, will be a defining moment from the point of view of assessing the outcome of the implementation of the first national action plans for social inclusion and benefit the implementation of an effective social inclusion policy, which the second national plans for social inclusion, now being drawn up by the Member States, must treat as a priority, focusing in particular on the integration of immigrants, education, including lifelong learning, and vocational training;
12. Calls on the Commission and Member States to ensure the correct, full and timely implementation of existing directives, in particular those adopted on the basis of Article 13 of the Treaty; also calls on the Commission not to hesitate in pursuing infringement actions against Member States in this regard;
13. Welcomes the communication from the Commission on the joint report concerning 'Increasing labour force participation and promoting active ageing' (COM(2002) 9); welcomes the recent agreement between the European social partners on older employees in the trade sector; stresses that in the next few years active and coordinated measures relating to the employment of older people must be further developed by the Commission, Member States and social partners;
14. Points to the need to mark European Year of People with Disabilities by submitting a proposal for a directive, based on Article 13 of the Treaty, with a view to combating discrimination on grounds of disability;
15. Points to the need for increased investment to provide childcare facilities and in the area of pre-school education, given that the current levels are still unsatisfactory, and for greater investment in education, training and lifelong learning in several Member States, objectives in respect of which a guaranteed public, free and quality education system is of essential importance, with particular regard to information technologies, in order to address the high rates of school drop-outs and of those seeking early retirement, improve educational and training conditions, pave the way for women to participate in the labour

market and promote efforts to reconcile family life and work for men and women;

16. Stresses the importance of measures to combat undeclared work; welcomes the article relating to this in the proposed Guidelines for the Employment Policies of the Member States (COM(2003) 176); reiterates its call for the Commission to adopt initiatives to combat undeclared work, including the assignment of special status to jobs which are difficult to regularise, such as domestic work and child care;
17. Points out that, in view of the accession of the ten applicant countries, which have weaker social indicators, efforts will need to redouble to enable progress to be made towards economic and social convergence in terms of better quality of life and greater social justice;
18. Hopes that the European Union will continue to support and contribute directly to an understanding of the full scale of the problem of poverty and social exclusion in the Outermost Regions, with a view to devising social inclusion policies in these regions and promoting specific support measures in various areas;
19. Instructs its President to forward this resolution to the Council and Commission.

EXPLANATORY STATEMENT

Present context

Despite all the pronouncements on the priority to be assigned to social policy, the Commission's spring forecasts show that GDP, in 2003, will grow by only 1% in the euro zone and 1.3% in the Fifteen as a whole, entailing adverse consequences for employment, which will fall by 0.1% in the euro zone, and worsening unemployment, which will total 8.8%.

This state of affairs ought to serve as an alarm signal, the implication being that monetarist Community policies have to be altered and, in particular, the Stability Pact revised so as to give full priority to public investment and other measures to promote employment and social inclusion.

Instead, the same solutions are being stubbornly pursued. Instead of suspending the Stability Pact in order to reconsider the irrational nominal convergence criteria and bank on an economic development policy geared to cope with uncertainty and international instability, the watchword is still that the Pact needs to be fulfilled, although some countries (France, Germany, and Italy) are ignoring it and others are using it as a pretext for a restrictive class-oriented policy.

The effect of such juggling is to spirit away the serious difficulties facing some Member States and the grim social and economic consequences ensuing from the obsession with cutting investment and public spending in the social sphere, making it impossible to achieve targets related to high-quality job creation and greater social inclusion, as well as adding to social tensions and labour instability. Meanwhile, the Competitiveness Council is being set up, as if that were the chief concern of the poor. But it is not.

The overwhelming majority of Union citizens, approximately 90% according to Eurostat, believe that Union political action should seek to combat unemployment, poverty, and social exclusion as a matter of priority. Furthermore, about half consider the current policies and efforts to be insufficient to attain the goal of social justice. The 15 to 24 age group is of the opinion that social policy should not be scaled down in the decades ahead.

The key point, therefore, is that policies have to change so that social policy can be regarded as a policy-making input, and the midterm review of the social policy agenda must focus in particular on the costs incurred because a high-quality social policy is not in place.

Assessment of the scoreboard on implementing the social policy agenda

The purpose of the yearly scoreboard used to assess implementation of the social policy agenda, which the Commission submits to Parliament, should be to keep track of achievements, warn of delays in the implementation of the projected measures, and form the basis for adjustments to be proposed to remedy gaps and shortcomings at the practical level or to tackle such new problems as might have arisen in the intervening period. Regrettably, this has not proved to be the case.

Because economic activity is slowing down alarmingly, there are growing fears that

unemployment, poverty, and social exclusion will rise. The fact that these problems are giving cause for particular anxiety in the economically and socially weaker Member States and regions is hampering economic and social cohesion. In addition, immigrants, people with disabilities, and other disadvantaged groups are continuing to encounter significant obstacles on the labour market. Not enough jobs have been created for women and those which are available are generally of poor quality. Wage discrimination still exists.

To achieve the aims of the 'Lisbon strategy' by 2010, it will be necessary to create more than 15 million high-quality new jobs with rights, but the spring forecasts suggest that that target might not be met. The structural weaknesses identified on the labour market are largely to blame for lasting poverty and social exclusion, which are being aggravated by other factors such as low incomes, not least where workers, retired people, and pensioners are concerned, health problems and disability, family break-ups, a lack of basic training, and housing problems.

The most recent income figures show that 15% of the population, that is to say, about 56 million people, are at risk of poverty, since they are living below a threshold defined to be 60% of the national average income; 9% of the EU's population face a persistent risk of poverty, since they have remained in that position for at least two out of the last three years; the situation is particularly serious in some countries, for example Portugal, where the poverty rate stands at 21% and 14% are affected by lasting poverty.

Social security is vital to reduce the risk of poverty. Without welfare transfers, the poverty risk in the Union would have amounted to 24% (if we exclude pensions from the definition of welfare transfers) or 40% (including pensions).

Following the Lisbon Summit, a decision was taken to press ahead with the strategy of combating poverty and social exclusion, using the open method of coordination, based in part on national action plans for social inclusion. The second series of plans is now being drawn up. It is essential to know the state of play as regards implementation of the first plans and keep track of the drafting of the second plans, which Member States are due to submit by July.

The Second Round Table on Poverty and Social Exclusion will be held in Turin on 16 and 17 October.

Proposals

- Solutions to the serious problems of unemployment and poverty, including lasting poverty, should be a priority in Community policies, especially competition policy, and in the midterm review of the CAP, the Structural Funds, and the Stability Pact.
- A call should be made once again for the policy initiatives announced in the social policy agenda to be put into effect, to that end making use of the scoreboard, which in each instance should specify the policy method employed (legislation, state of play regarding the open method of coordination, negotiation with the social partners, newly devised indicators, warnings given, etc.), the parties responsible, and the time frames.
- It is regrettable that new bodies and working parties such as the Tripartite Social Summit are

still being set up without any consultation of Parliament. A further reason for criticism is the fact that the Employment Task Force has been set up for no clear purpose, especially bearing in mind that there are bodies already operating in the same field.

- It is deplorable that the Commission is still failing to produce new initiatives in areas already called for by Parliament. The initiatives in question should be rapidly drawn up, specifically with a view to:

- (a) incorporating a social dimension in competition policy whereby, especially in Commission decisions on company mergers, factors related to employment, industrial relations, and regional development would be taken into account;
- (b) amending Directive 92/85/EEC on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding;
- (c) adopting an action plan aimed at effective prevention of musculoskeletal injuries at work;
- (d) laying down an incentive and support framework to develop the social economy, bearing in mind its role in creating jobs and improving quality of life, especially for the people of deprived areas;
- (e) establishing effective intervention procedures in the area of company relocations, especially where the companies concerned have received Community and national support, in order both to protect employment and other workers' rights and to prevent development being hamstrung in the regions and sectors in which companies are based, taking into account Parliament's recent decision on this matter;
- (f) adopting a legislative initiative introducing binding prior assessment of the cross-border effects of social and tax legislation, taking into account Parliament's earlier decisions;
- (g) devising an indicator to gauge the reduction in the inequalities between women and men in terms of unpaid working time and, as part of the current review of the European Employment Strategy, scheduling targets to bring that reduction about;
- (h) producing a green paper on illiteracy and social exclusion and, ultimately, drawing up an action plan and setting up a European illiteracy monitoring centre.

- The Commission should be called upon to respond to the request made in the conciliation resolution by submitting a proposal for a directive, based on Article 141(3) of the Treaty, recognising paid paternity leave as an inalienable individual right that cannot be forgone, bearing in mind that the fact that women have to be absent from work because they are exercising their right to maternity leave – when there is no compulsory paid paternity leave – is one of the main reasons why they suffer discrimination.

- The Second Round Table on Poverty and Social Exclusion, to be held in Turin on 16 and 17 October 2003, should be supported, and it is to be hoped that it will prove a defining

moment from the point of view of assessing the outcome of the implementation of the first national action plans for social inclusion and benefit the implementation of an effective social inclusion policy, which the second national plans for social inclusion, now being drawn up by the Member States, must treat as a priority, focusing in particular on the integration of immigrants, in accordance with the decision taken at Copenhagen.

- To mark European Year of People with Disabilities, a proposal for a directive, based on Article 13 of the Treaty, should be submitted with a view to combating discrimination against the disabled as regards access to work, employment, education, and training.

- The recent EP resolution (adopted on 13 March 2003) on relocations by multinationals must be implemented because relocations are continuing to aggravate unemployment and indicative, in most cases, of gross neglect of social responsibility.

- The opportunity afforded by the midterm review of the 2000-2006 Structural Fund programmes, due to be carried out this year, should be used to coordinate Structural Fund programmes, especially under the European Social Fund, with the aims set out in the national plans for social inclusion, the second series of which is being drawn up by the Member States.

- Increased investment is needed to provide childcare facilities and in the area of pre-school education, given that the current levels are still unsatisfactory, and greater amounts must be invested in education, training, and lifelong learning in order to combat the high school drop-out rates in several Member States, improve educational and training conditions, and pave the way for women to participate in the labour market.

- In view of the accession of the ten applicant countries, which have weaker social indicators, efforts will need to redouble to enable progress to be made towards economic and social cohesion in terms of better quality of life and greater social justice.